

**BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS**

In the matter of the application of Samuel Gary Jr. & Associates, Inc. for an exception to the 10-year time limitation of K.A.R. 82-3-111 for its Owens A 5 well located in the S2 NE SW of Sec 16, T29S, R34W, Haskell County, Kansas.))))))	Docket No: 25-CONS-3071-CEXC CONSERVATION DIVISION License No.: 3882
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APPLICATION

COMES NOW Samuel Gary Jr. & Associates, Inc. ("Applicant") in support of its Application in the captioned matter and states as follows:

1. Applicant is a corporation authorized to do business in the State of Kansas. Applicant's address is 1515 Wynkoop St., Ste. 700, Denver, CO 80202.
2. Applicant has been issued by the Kansas Corporation Commission Operator's License 3882, which expires on September 30, 2024.
3. Applicant is the owner and operator of the Owens A 5 well, API 15-081-21029-0001 which is located in the South Half of the Northeast Quarter of the Southwest Quarter of Section 16, Township 29 South, Range 34 West, Haskell County, Kansas. The subject well is located on a valid oil and gas lease comprising the following lands:

West half of Section 16, Township 29 South, Range 34 West, containing 320 acres, more or less

4. Pursuant to K.A.R. 82-3-111, the well was shut in on September 1, 2010 and temporary abandonment status was obtained on September 1, 2010. The subject well has maintained such status from September 2010, to the present date.

5. On or about May 1, 2024 the Kansas Corporation Commission notified Applicant temporary abandonment status for the subject well would be denied from and after July 20, 2024 because the subject well had been temporarily abandoned for more than ten (10) years.

6. K.A.R. 82-3-111 imposes a 10-year limitation on the amount of time during which wells may be temporarily abandoned, but an exception to the 10-year limitation may be obtained pursuant to said regulation through an Application filed with the Commission pursuant to K.A.R. 82-3-100. Applicant seeks a second exception.

7. On or about July 16, 2024, the subject well passed a Commission Staff-witnessed mechanical integrity test of the casing between the surface and a point within fifty (50) feet above the uppermost perforation or open hole in the well.

8. Applicant wishes to continue TA status for the subject well because Applicant intends to use the well for the following purpose: Applicant intends to recompleat in the well in the Lansing H and Marmaton zones.

9. Applicant submits the following information regarding the well in support of the Application. While the Owens A 5 is currently not producing, geological analysis of the open hole logs and volumetric mapping shows potential recompleat in the Lansing H zone and the Marmaton zone that could add up to 25 MBO in reserves and increased economic value, and applicant would like to request additional time to evaluate the

behind pipe data and pursue these zones. The cost to plug the well will be \$30,000, while the cost to return the well to production and test the new zones will be \$125,000. The cost to recomplete the well will include perforations, stimulations, testing to confirm behind pipe potential, and possible new or upgraded equipment due to length of time the well has been shut-in. This will prevent both economic waste and further environmental impact by accessing the oil in the new zones through an existing wellbore rather than drilling a new well. Currently, the Owens lease has no production, there are two oil wells and one oil and gas well on the lease. The cost to plug all wells currently on the lease would be \$90,000.

10. Applicant has included a plat map showing the locations of all producing, injection, temporarily abandoned, abandoned, and plugged wells located on the same lease premises as the subject well.

11. Based on the foregoing, Applicant requests the Commission grant an exception to the 10-year limitation, specifically to allow the subject well to remain eligible for temporary abandonment status for an additional three (3) years following the expiration of the current three year extension granted to the previous operator. Applicant understands that the exception would be valid for three (3) years, but Applicant would still need to apply annually to the Conservation Division District Office for approval of an application for temporary abandonment status.

12. Listed in the attached Exhibit "A" are the names and addresses of the following persons:

A. Each operator of each oil and gas lease covering lands within one-half

(1/2) mile radius of the subject well; and

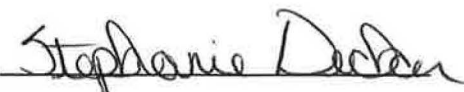
- B. Each person who owns any mineral interest of record in and under any lands located within one-half (1/2) mile radius of the subject well (provided that such mineral interest is not covered by any oil and gas lease).

13. Notice of this Application will be published pursuant to K.A.R. 82-3-135a. In addition, notice of the hearing to be held in this matter will be provided as prescribed by K.A.R. 82-3-135.

WHEREFORE, Applicant prays that this matter be granted administratively without a hearing, or in the alternative be set for hearing, and upon hearing that the Commission grant Applicant's request, for a second exception to K.A.R. 82-3-111 ten (10) year limitation, to allow the subject well to remain temporarily abandoned for an additional three (3) years, subject to annual approval by the Conservation Division District Office of an application for temporary abandonment status.

Respectfully Submitted,

Stephanie Decker
1515 Wynkoop St., Suite 700
Denver, CO 80202
720-746-5025
Fax # 303-863-7285

By: 
Signature of Submitter

State of Colorado)
)
County of Denver) ss:

Stephanie Decker, of lawful age, being duly sworn upon her oath deposes and states:

That she has the authority on behalf of Operator to file this application, that she has read the above and foregoing application and is familiar with the contents thereof; and, that the statements made therein are true and correct to the best of her knowledge and belief.

By: Stephanie Decker
Signature of Submitter

SUBSCRIBED AND SWORN to before me this 14 day of August, 2024.

Sydney Dick
Notary Public

My Appointment Expires:

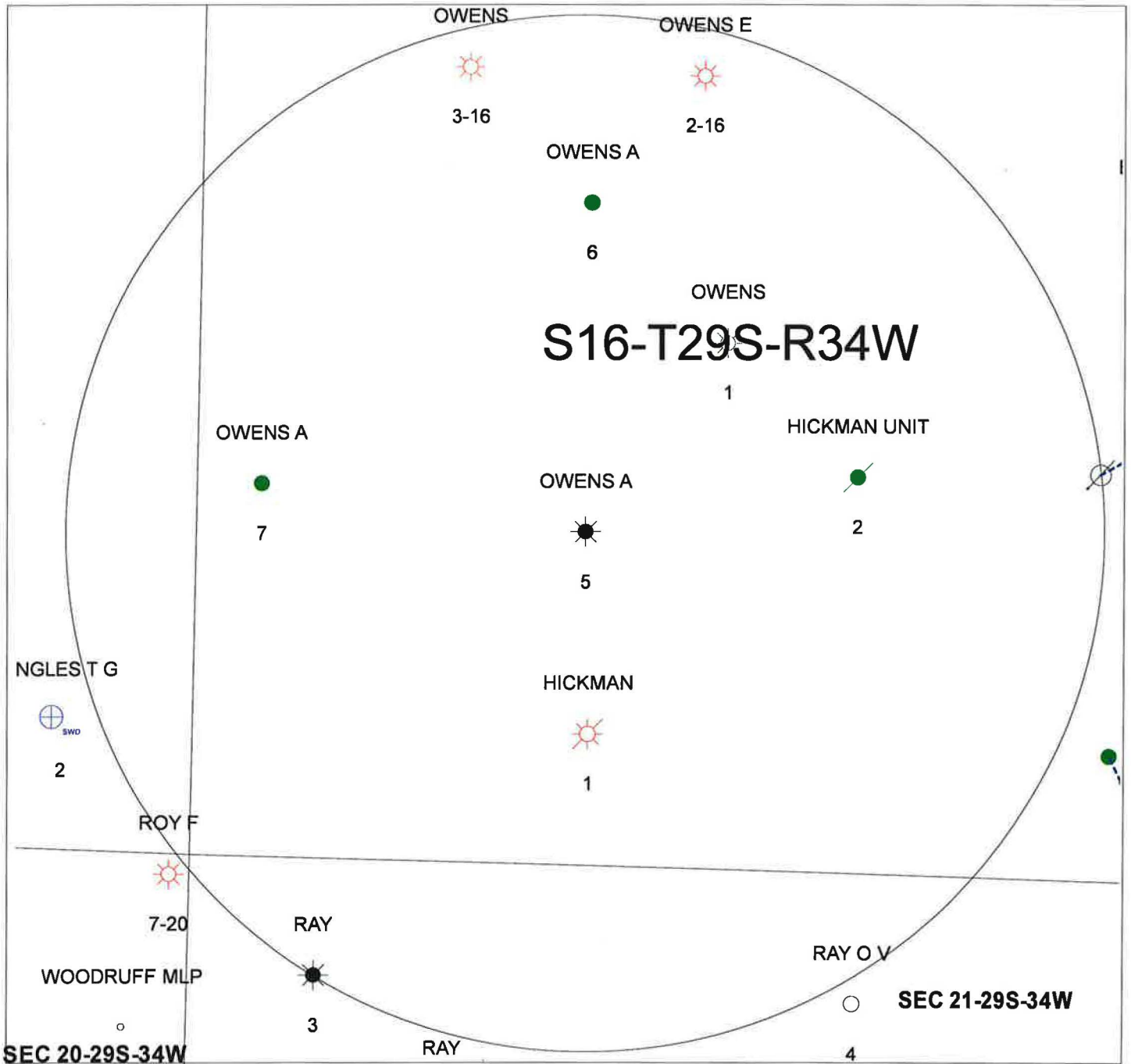
02-25-2028

SYDNEY DICK
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20204007733
MY COMMISSION EXPIRES FEBRUARY 25, 2028

CERTIFICATE OF SERVICE

I hereby certify on this 14th day of August, 2024, true and correct copies of the above and foregoing, Application and the Notice of Application were served by depositing copies of the same in the United States Mail, postage prepaid, and properly addressed to the landowner/s set forth in paragraph 12 of said Application, each party set forth in Exhibit "A" attached to said Application filed by Applicant, and the original was uploaded to the Kansas Corporation Commission via E-filing Express to a new docket.

SAMUEL GARY JR. & ASSOCIATES, INC.
OWENS A 5
SEC 16-29S-34W
HASKELL COUNTY, KANSAS



1 inch = 765 feet






- | | | | |
|---|---------------------|---|---------------------------|
|  | Oil Well |  | Oil & Gas Well |
|  | Oil- P&A |  | Gas Well |
| | |  | Gas P&A |

EXHIBIT A

Surface Owner

KP Land Company, LLC
263 Road 140
Satanta, KS 67870

Notification Area

Scout Energy Management LLC
13800 Montfort Drive
Dallas, TX 75240

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION

RE: Samuel Gary Jr. & Associates, Inc. -- Application for an exception to the 10-year time limitation of K.A.R. 82-3-111 for the **Owens A 5** located in **Haskell** County, Kansas.

TO: All Oil & Gas Producers, Unleased Mineral Owners, Landowners, and all persons whomever concerned.

You and each of you are hereby notified that Samuel Gary Jr. & Associates, Inc. has filed an application for a second exception to the 10-year time limitation of K.A.R. 82-3-111 for the **Owens A 5** well, located in **S2 NE SW Section 16 T29S-R34W, Haskell County, Kansas.**

Any persons who object to or protest this application shall be required to file their objections or protest with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. These protests shall be filed pursuant to Commission regulations and must state specific reasons why granting the application may cause waste, violate correlative rights or pollute the natural resources of the State of Kansas.

All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.

**Samuel Gary Jr. & Associates, Inc.
1515 Wynkoop, Suite 700
Denver, CO 80202
(303) 831-4673**